GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4047
ANSWERED ON:22.04.2008
CAPITAL INVESTMENT IN RETAIL SECTOR
Chinta Mohan Dr. ;Singh Shri Suraj

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether capital investment in the organised retail areas in the country is on the rise in the recent years;

(b) if so, the annual average rate of capital investment in the retail market during the last three years;

(c) the names of foreign and Indian industrial houses which have invested in the domestic retail market till February, 2008; and

(d) the names of the cites other than the metropolitan cities, where they have established their outlets?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(SHRI ASHWANI KUMAR)

(a) & (b): No centralised data is available on the total investment flows in the retail business of the country.

(c): As per extant policy, Foreign Direct Investment (FDI) is not allowed in retail trade except in retail trade of Single Brand products where FDI up to 51% is permitted with prior Government approval. The details of the major international brands approved under this policy are in the statement at Annex. There is no restriction on the entry of big corporate houses and other domestic investors in to the retail sector. Reliance Industries, RPG Group, Aditya Birla Group are some of the major Indian industrial houses which have invested in the domestic organised retail.

(d): Approvals for FDI in single brand retail products are not given for specific outlets. Location of retail outlets for single brand products is decided based on commercial considerations of the investor. No centralized data is maintained on retail outlets established by domestic investors.